



## TERMINATION OF LOAN AGREEMENTS

THIS TERMINATION OF LOAN AGREEMENTS (the "Termination Agreement") is made as of September 3, 1999, by and among FASTSHIP, INC., a Delaware corporation ("FSI"), and THORNYCROFT, GILES & CO., INC., a Delaware corporation ("TGC," and collectively with FSI, the "Borrowers") and FORREST E. MARS, JR. (the "Lender").

### RECITALS

WHEREAS, the Lender and the Borrowers entered into (i) that certain Loan Agreement dated August 26, 1998 in the amount of \$250,000 and (ii) that certain Loan Agreement dated January 20, 1998 in the amount of \$250,000 (collectively, the "Loan Agreements");

WHEREAS, in connection with the Loan Agreements, the Borrowers granted the Lender a first priority security interest in their intellectual property (the "Collateral");

WHEREAS, the Borrowers filed the Loan Agreements with the U.S. Patent and Trademark Office and with the appropriate state and local authorities in Pennsylvania;

WHEREAS, the Borrowers have agreed to repay the Loan Agreements by issuing to the Lender a note, which is convertible into shares of FSI Common Stock and also is secured by the Collateral, and warrants for the purchase of additional shares of FSI Common Stock; and

WHEREAS, the Borrowers and the Lender wish to terminate the Loan Agreements and the Lender wishes to release his security interest in the Collateral.

NOW, THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree as follows:

1. Termination of the Loan Agreements. The Borrowers and the Lender agree that the Loan Agreements are terminated effective immediately. The Borrower hereby terminates his security interest in the Collateral, and the Borrowers shall file all necessary forms with the U.S. Patent and Trademark Office and with the appropriate state and local authorities in Pennsylvania terminating the Loan Agreements and the Lender's security interest in the Collateral.
2. Governing Law. This Termination Agreement shall be governed by and construed in accordance with the laws of the State of Delaware except in regards to the provisions governing choice of laws.
3. Counterparts. This Termination Agreement may be executed and delivered, including execution and delivery by facsimile transmission, in counterparts, each of which shall be deemed an original and both of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Termination Agreement has been duly executed by the parties hereto as of the date set forth above.

FASTSHIP, INC.

By: Kathryn Riepe Chambers  
Kathryn Riepe Chambers  
Secretary

THORNYCROFT, GILES & CO., INC.

By: Kathryn Riepe Chambers  
Kathryn Riepe Chambers  
Secretary

LENDER

Forrest E. Mars, Jr.  
Forrest E. Mars, Jr.